Serial No. 10/075,049 Docket No. BLD919990039US1 Firm No. 0036.0051

#### REMARKS/ARGUMENTS

# 1. The Claims Comply with Sections 101 and 112, par. 1

The Examiner rejected the claims under Section 101 (35 U.S.C. §101) on the grounds the independent claims 1, 18, and 31 are not directed to statutory subject matter. (Office Action, pg. 2) Applicants amended these claims to recite that the generated "output transformed data" is "for an output device".

The Specification discloses this added requirement because the specification discloses that the output transformed data can be used by a printer, devices that render images (e.g., image viewer program, video card, etc.) or by a storage device. (Specification, para. [0037], pg. 14).

According to the Manual of Patent Examination and Procedure (MPEP) Sec. 2106:

For such subject matter to be statutory, the claimed process must be limited to a practical application of the abstract idea or mathematical algorithm in the technological arts. [citations omitted] A claim is limited to a practical application when the method, as claimed, produces a concrete, tangible and useful result; i.e., the method recites a step or act of producing something that is concrete, tangible and useful. [citations omitted] Likewise, a machine claim is statutory when the machine, as claimed, produces a concrete, tangible and useful result.

MPEP Sec. 2106, pg. 18 (Aug. 2005, Rev. 3).

Here, the claims are limited to a practical application of applying a fractional shift transform matrix to transformed data to generate output transformed data for an output device. Further, the amended claims provide a concrete, tangible, and useful result in producing output transformed data for an output device.

Accordingly, Applicants request the Examiner to withdraw the Section 101 rejection in view of the amendments.

The Examiner further rejected the claims under Section 112, par. 1 (35 U.S.C. §112, par. 1) for the reasons asserted for the Section 101 rejection. (Office Action, pg. 3)

Applicants traverse this rejection with respect to the amended claims which recite a real application, "applying a fractional shift transform matrix to transformed data to generate output transformed data for an output device."

Accordingly, Applicants request the Examiner to withdraw the Section 112 rejection in view of the amendments.

## 2. Amended Claims 1-8, 10-38, and 40-47 are Patentable Over the Cited Art

The Examiner objected to claims 9 and 39 and did not reject these claims in view of prior art. Applicants added the requirements of claim 9 and 39 to independent claims 1 and 31, respectively, and added these requirements to independent claim 18. In adding the requirements of claims 9 and 39 to the independent claims, Applicants did not add the requirements of the intervening claims because Applicants submit that the requirements of claims 9 and 39 distinguish over the cited art without requiring the intervening claim requirements, which the Examiner rejected in view of prior art. Applicants further amended independent claims 1, 18, and 31to accommodate the requirements of claims 9 and 39.

Applicants submit that the amended independent claims 1, 18, and 31 are now in condition for allowance because they include the requirements of claims the Examiner did not reject in view of cited art.

Claims 9 and 39 are now canceled.

Applicants further amended claims 8, 28, and 38 to recite that the transformed data to which the three transformed matrices are applied comprises the entropy decoded encoded data.

Applicants submit that all the pending claims are now in condition for allowance because they depend from one of the amended base claims 1, 18, and 31 and because the additional requirements of the dependent claims in combination with the base claims provide further grounds of patentability over the cited art.

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#### Conclusion

For all the above reasons, Applicant submits that the pending claims 1-8, 10-38, and 40-47 are patentable over the art of record. Applicant submit herewith a Petition for a One Month Extension of Time. Applicants have not added any claims. Nonetheless, should any additional fees be required, please charge Deposit Account No. 50-3669.

The attorney of record invites the Examiner to contact him at (310) 553-7977 if the Examiner believes such contact would advance the prosecution of the case.

Dated: June 26, 2006 By: \_\_/David Victor/\_

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